

816 EAST MAIN STREET LEXINGTON, SOUTH CAROLINA 29072 TELEPHONE: (803) 359-4803 SYNERGYUTILITIESLP@GMAIL.COM

January 23, 2018

Jocelyn G. Boyd, Esquire Chief Clerk & Administrator The Public Service Commission of South Carolina 101 Executive Center Drive, Suite 100 Columbia, South Carolina 29210

RE: Assumption of Carolina Water Service Bulk Wastewater Treatment by the Town of Lexington

Dear Ms. Boyd:

This letter is to notify the Commission that as a result of its condemnation of Carolina Water Service, Inc., the Town of Lexington will assume bulk wastewater treatment service previously performed by Carolina Water Service on February 1, 2018. The transition from Carolina Water Service to the Town of Lexington is the realization of many years of effort by the Town, Central Midlands Council of Governments, other regional municipal and county governments, state and federal environmental regulators, and concerned citizens to fully implement a regional sewer system to improve water quality and safeguard our natural waterways in accordance with the Clean Water Act of 1972.

The Town has established a flat rate of \$31.10 per Residential Equivalent Unit (REU) per month. Synergy Utilities, LP presently pays \$26.66 per REU to Carolina Water Service for bulk wastewater treatment. As part of the transition to the Town of Lexington, Carolina Water Service will bill through January 25, 2018 and will issue its final bill in February for an additional six days of January service for \$6.78. The Town of Lexington will bill \$31.10 for February 2018. Consequently, Synergy Utilities, LP will bill its customers \$37.88 for bulk treatment for the month of February 2018. Beginning March 2018, the bulk treatment will remain at \$31.10 per REU.

Synergy Utilities, LP's current collection only charge is \$23.03. Thus, our customers can expect a total bill of \$60.91 for February and a bill of \$54.13 beginning in March of 2018.

Joeelyn G. Boyd, Esquire January 23, 2018 Page 2

Please see the copy of the enclosed correspondence from the Town of Lexington dated January 16, 2018 informing Syncrgy Utilities, LP of the Town of Lexington's rates.

Should you have any questions or if any additional information is required, feel free to contact me.

Sincerely,

SYNERGY UTILITIES, LP

Keith G. Parnell, PE

KGP/bl

Enclosure

Mayor Steve MacDougall

Mayor Pro-Tem Hazel Livingston



Council Kathy Maness Ted Stambolitis Todd Carnes Ron Williams Steve Baker

January 19, 2018

Mr. Keith Parnell Midlands Utility/Synergy Utilities, LP 816 East Main Street Lexington, SC 29072

RE: New bulk rate for Vanarsdale

Dear Keith,

Per our previous discussions, the Town of Lexington is acquiring the I-20 Sewer System from Carolina Water/Utilities, Inc. We are taking possession on February 1, 2018. We are adjusting the residential and commercial rate to \$67.16 per residential equivalent unit (REU), which equates to an increase of approximately 16.7%. We are adjusting your bulk rate by the same percentage to arrive at a new rate of \$31.10 per REU (a copy of our adopted rates for the I-20 service area are included herein).

We appreciate the long-term relationship the Town has with Midlands/Synergy and looks forward to serving you for the Vanarsdale community. If I may be of further assistance to you please contact me at 803-358-1587 or sford@lexsc.com.

Sincerely,

Stuart Ford

Assistant Town Administrator

Enclosure

Schedule 3

Town of Lexington I-20 Service Area Sewer Rates December 1, 2017

Billed Monthly at end of the month for service from 1st of the month to the end of month.

Residential

Rate

Flat Rate \$ 67.16 Mobile Home Flat Rate \$ 50.37 (1)

Commercial

Flat Rate per REU \$ 67.16

Treatment Only - Bulk

Flat Rate per REU \$ 31.10

(1) = Mobile Home rate is 75% of Residential Flat Rate

Note: Residential Equivalent Unit (REU) determinations for billing purposes will will be based upon REUs charged by previous provider to customers in the I-20 Service Area.